

## SHD Paraphrased Regulations - Food Stamps

### 280 Budgeting

#### 280-1

The household's monthly allotment shall be determined from the Coupon Allotment Tables (Handbook §63-1101) on the basis of the household's size and net income. For a household of \_\_\_\_ persons with net income of \$\_\_\_\_, the monthly allotment is \$\_\_\_\_. (§63-503.324)

#### 280-2

A household's benefit level for the initial month of certification or the first month for which the household is certified for FS participation "following any period during which the household was not certified for participation" will be based on the date of application. (§63-503.13) Handbook §63-1101.4 sets forth the tables for computing this proration. For a household applying on the \_\_\_\_ of a \_\_\_\_-day month with a full month entitlement of \$\_\_\_\_, the prorated amount is \$ \_\_\_\_\_. After determining the prorated allotment, the county shall round the product down to the nearer lower whole dollar. If the computation results in an allotment of less than \$10, then no issuance shall be made. (§63-503.132)

#### 280-3B

The following regulations set forth the state requirements when the household's recertification is delayed, and the household is not at fault.

- "(1) If a household's application for recertification is delayed beyond the first of the month of what would have been its new certification period through the fault of the CWD, the household's benefits for the new certification period shall be prorated based on the date of the new application, and the CWD shall provide restored benefits to the household back to the date the household's certification period should have begun had the CWD not erred and the household been able to apply timely.
- "(2) When a household's eligibility is not determined by the end of its current certification period due to the time period allowed for submitting any missing verification, the household shall receive an opportunity to participate, if eligible, within five working days after the household submits the missing verification and benefits shall not be prorated.

### HANDBOOK BEGINS HERE

"Example: A household completed the interview and application process before the end of its current certification period in April. However, verification still must be provided within 10 days of the completed application process. The 10-day period for submitting verification extends into the month following the current certification period, or on May 5th. The household submits the verification on May 4th within the allowable 10-day period. The CWD must provide a full month of benefits for May and by the 9th day in May due to the five-day limit for providing an opportunity for the household to participate in the program.

## HANDBOOK ENDS HERE"

(§63-504.61(e) effective June 1, 2001)

## 280-3C

The following federal regulation sets forth the federal requirements when there is a delay in processing at the end of a certification period:

"(e) Delayed processing.

- "(1) If an eligible household files an application before the end of the certification period but the recertification process cannot be completed within 30 days after the date of application because of State agency fault, the State agency must continue to process the case and provide a full month's allotment for the first month of the new certification period. The State agency shall determine cause for any delay in processing a recertification application in accordance with the provisions of §273.3(h)(1).
- "(2) If a household files an application before the end of the certification period, but fails to take a required action, the State agency may deny the case at that time, at the end of the certification period, or at the end of 30 days. Notwithstanding the State's right to issue a denial prior to the end of the certification period, the household has 30 days after the end of the certification period to complete the process and have its application be treated as an application for recertification. If the household takes the required action before the end of the certification period, the State agency must reopen the case and provide a full month's benefits for the initial month of the new certification period. If the household takes the required action after the end of the certification period but within 30 days after the end of the certification period, the State agency shall reopen the case and provide benefits retroactive to the date the household takes the required action. The State agency shall determine cause for any delay in processing a recertification application in accordance with the provisions of §273.3(h)(1).
- "(3) If a household files an application within 30 days after the end of the certification period, the application shall be considered an application for recertification; however, benefits must be prorated in accordance with §273.10(a). If a household's application for recertification is delayed beyond the first of the month of what would have been its new certification period through the fault of the State agency, the household's benefits for the new certification period shall be prorated based on the date of the new application, and the State agency shall provide restored benefits to the household back to the date the household's certification period

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should have begun had the State agency not erred and the household been able to apply timely."

(7 Code of Federal Regulations (CFR) §273.14(e), effective January 20, 2001, and to be implemented no later than June 1, 2001)

#### 280-4

In determining the household's level of benefits for the issuance month, the county shall count as income only that amount actually received by the household in the budget month, except as provided below. (§63-503.232(c)) An exception to the general rule is that the county shall budget stable earned and unearned income which is received on a regular basis as a single monthly payment for the month such income is intended to cover. Households receiving such income shall not have their monthly income varied merely because mailing or payment cycles may cause two payments to be received in one month and none in the next month. (Subsection (c)(2))

#### 281-1

The applications of households which were certified for FS Program participation in one county or state and which move to another county or this state and apply for benefits without at least a one-month break in certification, shall be treated as initial applications, except they shall continue to be retrospectively budgeted. Households which have requested and are entitled to expedited service shall have their benefits available in accordance with §63-301.531. Households which were subject to retrospective budgeting in the previous county or state shall continue to be retrospectively budgeted, unless the household is now excluded from retrospective budgeting because it is a migrant farmworker household, or all household members are elderly or disabled and have no earned income, or all members are homeless individuals or live on Indian reservations. (§63-503.71)

#### 281-2

Except in beginning months, a household's FS entitlement is based on retrospective budgeting which means that income from a given month is used two months later in computing the entitlement. (§§63-503.23 and 63-102(r)(10))

#### 281-3

The following households are excluded from monthly reporting and retrospective budgeting:

- .211 "Migrant farmworker" households (§63-102(m))
- .212 "Seasonal farmworker" households (§63-102(s))
- .213 Households with no earned income, and in which all adult members are "elderly or disabled" (§63-102(e))
- .214 Households in which all members are "homeless" (§63-102(h)(1))

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.215 Households residing on Indian reservations.

(§63-505.21)

281-4

All AFDC (now CalWORKs), GA/GR, RCA and ECA payments for the issuance month shall be anticipated with reasonable certainty in computing the FS entitlement. Such grants are prospectively rather than retrospectively budgeted. (§63-503.232(c)(5))

281-7

Welfare and Institutions Code §§11452 and 11453 provide for an increase in the AFDC Minimum Basic Standard of Adequate Care (MBSAC). The Cost-of-Living Adjustment (COLA) increased the MBSAC by 2.6% effective July 1, 1997. (Note that as of January 1, 1998 there is no longer an AFDC program, nor do the statutes provide for an automatic COLA.)

For monthly reporting households subject to retrospective budgeting, if the county sends a COLA supplemental payment in the month of July for that month, but did not have time to prospectively budget the supplemental payment, the county shall retrospectively budget it in September. (§63-503.232(c)(5)(A))

If the July supplement is sent after July 31 (e.g., in August), it is considered a nonrecurring lump sum payment for FS purposes and is counted as a resource in the month it is sent. (§63-502.2(j)) This provision applies to both retrospectively and prospectively budgeted households. (All-County Letter No. 97-32, May 6, 1997)

281-8

"Prospective eligibility" means the determination of a household's eligibility for an issuance month based on an estimate of a household's income, circumstances and composition which will exist in that issuance month. (§63-102(p)(11))

281-11

"Retrospective budgeting" is defined as the computation of a household's FS allotment for an issuance month based on actual income and circumstances which existed in the budget month. (§63-102(r)(10), as renumbered effective August 10, 2001)

281-11A

"Budget month" in a retrospective budgeting system means the month from which income and other circumstances (except household composition) of the household are used to calculate the household's allotment for the corresponding issuance month. (§63-102(b)(2))

281-11B

"Issuance month" in a monthly reporting and retrospective budgeting system means the month for which an FS allotment is issued. In prospective budgeting, the budget month

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and issuance month are the same. In retrospective budgeting, the issuance month is the second month after the budget month. (§63-102(i)(9), as renumbered effective March 1, 2002)

#### 281-12

Federal regulations provide that income deductions which are billed in, or averaged from, the budget month are used in determining the benefit level in the issuance month. (7 Code of Federal Regulations (CFR) §273.21(j)(1)(vii)(C))

#### 281-13

For purposes of determining the household's eligibility and level of benefits during the beginning months, the county shall take into account the actual income already received by the household during the month of application and any anticipated income the county and the household are reasonably certain will be received during the remaining beginning months. (§63-503.212(a))

#### 281-14

"Prospective budgeting" means the computation of a household's FS allotment for an issuance month based on an estimate of income and circumstances which will exist in that month. (§63-102(p)(10))

#### 281-15

For changes that could not be or were not anticipated, by the household or the county which result in a one-month period of ineligibility, the county shall suspend the household for the issuance month corresponding to the budget month in which the change occurred. (§63-504.372)

#### 282-1

Discontinued income which was included in the household's prospective budget shall be disregarded when the beginning month becomes the budget month. (§63-503.232(d)(1))

#### 282-2A

After the beginning months, households which receive AFDC (now CalWORKs), GA/GR, RCA or ECA payments in the issuance month and have income in the corresponding budget month shall have this income disregarded if: (1) the income has been discontinued; (2) the household reported the termination of the income; (3) the county has sufficient time to process the change and affect the allotment in the issuance month corresponding to the budget month in which the income stopped; and (4) the AFDC (now CalWORKs), GA/GR, RCA or ECA payments are increased as a result of the termination of the income. (§63-503.232(d)(2), effective August 1, 1992)

#### 282-3

Federal regulations provide that when the FS household receives a Public Assistance (PA) grant, the state agency shall disregard income received from a terminated source which results in an increase in the PA grant, provided the household has reported the termination of the income either in the monthly report for the budget month or in some

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other manner which the state agency has determined gives the agency sufficient time to process the change and affect the allotment in the issuance month. (7 Code of Federal Regulations §273.21(j)(1)(vii)(B)(2))

#### 283-1

A GA/GR payment, received in the current month covering a period which begins in the current month and ends in the next month, is counted as income in the current month. (§63-503.232(c)(3))

#### 284-1

For changes which result in an increase in the household's benefits due to the addition of a new household member who is not a member of another certified household, the county shall make the change effective the first of the month following the month in which the change is reported. To complete this determination, the county shall have the option of requiring the household to complete the CA 8 or to contact the household to obtain the necessary information for the new member and update the last application. The county shall prospectively budget the new member's income and specific deductions in combination with the existing household's retrospectively budgeted income and deductions during the first two months the new member is added to the household. (§63-504.353)

#### 284-2

If the reported change results in an increase or decrease in a household's benefits due to the addition of a new household member, the county shall make a determination of the new household member's eligibility within 30 days of the date the change was reported. (§63-504.353)

#### 285-1

The income and specific deductions of a member leaving the FS household shall be disregarded when determining the household's eligibility and benefit level for the month following the month in which the change was reported. The remaining household members' benefit level shall continue to be retrospectively budgeted. (§63-504.356)

#### 285-2

If an FS household reports a change outside of the CA 7 (now CW 7 or SAWS 7), the county shall evaluate the effect of the change on the household's eligibility and benefit level. (§63-504.357)

Except for the addition of a household member, if the change affects the benefit level, the county shall note the information in the case file, reflect the change in the corresponding issuance month, and notify the household. (§63-504.357(b))

#### 286-1

The following households (HHs) shall be excluded from monthly reporting and retrospective budgeting:

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1. Migrant farmworker HHs, as defined in §63-102m., now (m).
2. Seasonal farmworker HHs, as defined in §63-102s., now (s).
3. HHs in which all adult members are elderly or disabled, as defined in §63-102e., now (e), and have no earned income.
4. HHs in which all members are homeless individuals, as defined in §63-102h.(1), now (h)(1).

(§63-505.21)

### 286-2

Nonmonthly reporting households (HHs) are required to report only the following changes:

1. Changes in the sources of income or in the amount of gross monthly income of more than \$25, excluding changes in the PA or GA grant, and Social Security COLAs.
2. Changes in HH composition.
3. Changes in residence and resulting shelter expense changes.
4. The acquisition of a nonexcluded licensed vehicle.
5. Liquid resources, when they exceed the maximum resource standard.
6. A change in the amount of child support payments made to a non-HH member, and/or a change in the legal obligation to pay child support.

(§63-505.51)

### 286-3

In general, when a nonmonthly reporting household (HH) reports a change which will increase its allotment, the county shall make the change no later than the first allotment issued 10 days after the date the change was reported to the county. (§63-504.422(a))

When the increased benefits are due to the addition of a new HH member who is not a member of another certified HH, or are due to a decrease of \$50 or more in the HH's gross monthly income, the county shall make the change effective not later than the month following the reported change. (§63-504.422(b))